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C O N F I D E N T I A L SECTION 01 OF 03 SUVA 000254

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SUBJECT: FIJI'S MULTI-PARTY CABINET: IS THE HONEYMOON  
ALREADY OVER?

Classified By: DCM Ted Mann. Reason 1.4 (b) and (d)

11. (C) Summary: The creation of a multi-party Cabinet following the May elections has given rise to a groundswell of hope and optimism that Fiji's rival SDL and Labor parties might finally cooperate for the good of the nation. Across the political spectrum, there have been calls for a new, less confrontational political culture. PM Qarase and others, including high figures with the Labor Party, have declared their willingness to strive to work together. However, the reality of nine Labor ministers in a majority SDL Cabinet is even now raising important issues for the Labor Party and particularly for its autocratic leader, Mahendra Chaudhry. Chaudhry's apparent initial tolerance of the multi-party construct is now fading, and he has set about re-establishing party discipline among his party's Cabinet ministers. The ministers have been warned of their commitment to the Party's manifesto, which stands in sometimes stark contradiction to that of the SDL. Chaudhry's pulling back has exposed a rift with other leaders in the party, some of them ministers in the new Cabinet, who say they want to focus on collaboration in the Cabinet, not confrontation. They have challenged Chaudhry over nominations to the Senate, setting the stage for an intra-party dispute that is likely to have ramifications for their -- and Labor's -- future role in the multi-party Cabinet. End Summary.

A Surprising, Hopeful Beginning  
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12. (C) In the wake of the May 6-13 general elections, as voters and observers alike considered the implications of the narrow win by incumbent PM Laisenia Qarase's SDL United Fiji Party, the PM surprised the nation with a generous offer of substantive cabinet positions to the SDL's chief rival, the Fiji Labor Party (FLP). Under the constitution, the governing party is obliged to offer cabinet positions based on their relative strength in the polls to all parties that received ten percent or more of the popular vote. Ironically, in the days before his offer, Qarase told the media he did not believe that the multi-party powersharing required by Fiji's 1997 constitution could actually work in practice. Indeed, five years before, following the 2000 elections, he made a mockery of the provision by offering the FLP a portfolio of wholly non-substantive ministries, including some proposed solely to fulfill the legal requirement. The FLP balked, demanded better, went to court and won, but eventually opted to stay in opposition. This time around, on May 18 Qarase caught all by surprise with an offer to the FLP of seven front-line ministries, including labor, agriculture, health, commerce and industry, energy, and environment, out of a cabinet of 17.

13. (C) FLP Secretary General Mehendra Chaudhry accepted the

offer immediately and then asked for still more. After some wrangling and a significant expansion of the cabinet, Labor now holds 9 of 24 ministries. With some skeptical exceptions, the public response to the hybrid cabinet, with its promise of compromise and powersharing, has been overwhelmingly positive. From all quarters have come calls on the Government and Labor to embrace and make the new arrangement work for the good of the nation. Despite lingering skepticism and some flourishes of old-style confrontational rhetoric, a general sense of hope and hesitant optimism took hold. Former ambassador to the United States and newly named Speaker of the House of Representatives Pita Nacuva told Ambassador Dinger that he sees a markedly changed atmosphere in Parliament and hopes to encourage it further. Despite his earlier public skepticism, Qarase too has been publicly talking up the multi-party cabinet, now becoming known on the street as the MPC. Its success, he said, is now his personal undertaking. Qarase told the Ambassador on June 21 that he remains upbeat about the MPC. Labor's participation in the MPC would, he said, allow the two parties to hammer out common policies within the relative privacy of the cabinet.

14. (C) Much editorial ink was spilled in the weeks following Labor's acceptance of the Cabinet positions over who would fulfill the role of the Opposition, so key to the Westminster system. For a time Chaudhry claimed that he and the other FLP MPs outside Cabinet could play that role, despite their nine party colleagues being now firmly ensconced in the government's new Cabinet. Eventually the two-member Parliamentary faction of the United People's Party of Mick Beddoes formally rescinded its alliance with the FLP and claimed the role for itself. Beddoes too reported a new tone in Parliament. He told the Ambassador he found Qarase open

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to discussion and less inclined to engage in the combative Westminster style debate typical in post-independence Fiji. Beddoes said he had proposed to Qarase and Chaudhry that the three of them meet regularly for kava-drinking sessions to get more comfortable with one another and informally discuss issues needing action. However, despite the general feel-good atmosphere and the formal assumption by the UPP of the mantle of the loyal opposition, Chaudhry and the 21 other Labor MPs outside the Cabinet have continued to speak and act as part of the opposition.

Cracks Appear in the MPC Foundation

15. (C) On June 15, the first sign surfaced that some of the MPC's innate contradictions are still to be solved. After just four weeks of optimism and encouraging words from all sides, Labor PM Lehk Ram Vayeshnoi, FLP deputy secretary general and the newly named minister of energy and mineral resources, told his fellow parliamentarians and the nation alike that for him, the Labor Party manifesto would guide his decisions in cabinet, not any obligation to Qarase and the MPC. He reminded Labor MPs, including those serving in the Cabinet, that they had run for election on the FLP's manifesto and were bound by its policies. He called on Qarase to withdraw controversial legislation opposed by Labor, such as the Truth and Reconciliation Bill and a fishing rights bill favoring indigenous Fijian communities. Despite several public remonstrations from his fellow FLP cabinet ministers for having stepped out of line, Vayeshnoi refused to retract his stance, even after a one-on-one with Qarase about cabinet procedures. FLP chief Chaudhry initially sidestepped the controversy, saying in public only that Vayeshnoi, and by implication all FLP ministers, retained the right to speak his mind.

16. (C) In the wake of the controversy over Vayeshnoi's remarks, Qarase worked to maintain the sense of cooperation and optimism. He told Parliament an analysis of his SDL party's manifesto and that of the FLP had found significant

areas of policy "convergence." The atmosphere in cabinet is, he said, "cordial and mutually supportive." He announced that he would be proposing a cabinet committee to promote cooperation and overcome party policy differences within the cabinet. Qarase invited Chaudhry to an urgent June 28 meeting to discuss Cabinet procedures and guidelines to facilitate cooperation, but Chaudhry declined due to scheduling conflicts. According to FLP contacts, he was scheduled to depart that day for a full-expense paid trip to Taiwan.

#### Labor Splits Over Cabinet Role and Party Discipline

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¶7. (C) In recent days, a split in the FLP ranks has become more and more apparent. According to sources in the party, on June 22, an unidentified FLP member, apparently prompted by Chaudhry, tried to convince Labor backbenchers to stage a walk-out during a parliamentary address by Labor MP and new Minister of Labor Krishna Datt. The ploy failed but it revealed a growing divide between a group around Chaudhry and other members of the FLP's leadership. Datt is a member of the party's management board and part of a small but influential group that is increasingly challenging Chaudhry's autocratic rule. The rift widened some at a June 24 meeting of Labor's national council. In a discussion paper, Chaudhry reminded members that, whereas the FLP's management board and the party's parliamentary caucus had accepted Qarase's initial offer of Cabinet seats, the national council -- where Chaudhry holds sway -- is the governing body of the FLP and should have made the decision. (Note: According to numerous media reports at the time, Chaudhry himself also accepted the offer. End note.)

¶8. (C) In his discussion paper, Chaudhry wrote that the Vayeshnoi controversy made it urgent to draw up "firm guidelines and ground rules" to govern the relationship of the FLP and the SDL government. "Central to the whole issue is the question of loyalty and obligation to the Party," he wrote. According to Chaudhry, the party constitution makes clear that "No member, whether an MP or Cabinet minister, is above the Party," and every member "must uphold the principles and objectives of the Party," which finds its expression in the party manifesto. This is bound in time to bring the FLP ministers into conflict with their SDL colleagues policies. In that case, the paper notes, "it is quite in order for a Labour member of the Cabinet, and backbenchers, in the context of a multi-party Cabinet to

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express opinions and adhere to policies that may be in conflict with that of the ruling party."

¶9. (C) Adding to the gathering contradictions surrounding the MPC construct, Solicitor General Nainendra Nand was reported in the press June 27 as saying that Qarase's invitation was to the FLP as a whole and, thus, all its members are effectively members of the government, and bound to vote collectively. This is true for the FLP ministers, he said, but also extends to FLP backbenchers outside the Cabinet. This was rejected by Senator Anand Singh, the FLP's legal advisor and a former attorney general. Singh told the Embassy that, in his view, non-ministerial FLP members are not part of the government. In apparent contradiction to Chaudhry's portrayal of party discipline, Singh said that FLP ministers may differ with their SDL colleagues within Cabinet, but once an issue comes to the floor of the House, they must either support Cabinet's decision or abstain; they may not vote against a Cabinet bill.

#### Labor Rebels Challenge an Autocrat

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¶10. (C) The growing rift between Chaudhry and the small group of FLP management board members around Datt and party deputy leader Poseci Bune was splashed across the front pages of

Fiji's daily newspapers June 29. In the days before his June 28 departure overseas, Chaudhry had submitted to Opposition leader Beddoes a list of FLP nominees to the Senate, without clearing the list with the party's management board. Bune wrote to Beddoes asking him to withhold the list and to Chaudhry demanding an explanation why the list had not been cleared with the management board. A party contact told the Embassy that the Chaudhry list, in addition to having been drawn up without the knowledge of the management board, failed to include a party stalwart who had sacrificed his candidacy in the recent elections in favor of union leader Felix Anthony, another of the management board rebels with Datt and Bune. According to the source, this quid pro quo had been agreed to before the election and failing to fulfill the deal would undercut Anthony's and the other's authority, a point that would have been well known to Chaudhry.

¶11. (C) In his absence, FLP President Jokapeci Koroi defended Chaudhry's right to draw up the list and insisted the five management board rebels have no right to speak for the whole 9-member board. She said she had directed Beddoes to forward the original list. Beddoes was quoted in the Fiji Times as having told Bune he must produce proof that he has the right to demand that Chaudhry's list be withdrawn. According to press reports, the five management board members planned to compile their own list and ask Beddoes to submit in place of Chaudhry's. A visibly angry Anthony told a television reporter that the issue came down to democracy within the party. "For too long, the party has preached transparency and openness but not practiced them."

Comment

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¶12. (C) Comment: The novelty and promise of the MPC strikes a positive chord in many -- perhaps a majority -- in Fiji, tired of the contentious political debate between the governing SDL and the rival FLP. This promise is increasingly looking to be a victim of a power play by Chaudhry, who is seeing his stern control over the party eroded. If he cannot enforce party discipline among the Labor ministers in Cabinet, he faces a steadily declining role in a party that most, but certainly not all FLP voters see as almost synonymous with him. It is hard to see how the cooperation and compromise that has to be at the heart of a functioning multi-party Cabinet can be squared with Chaudhry's rigid insistence on maintaining Labor's identity as resolute opponent of the SDL. Even if FPL infighting can be overcome, the MPC will continue to face serious challenges. Qarase has told the Ambassador and others that he is determined to reintroduce the controversial Reconciliation and Tolerance Bill, sooner rather than later. The FLP party leadership under Chaudhry is almost certain to demand that the FLP ministers withhold their support of the bill, even in a significantly improved form. This is certain to present Qarase with a challenge with regard to Cabinet discipline. How he will react is not clear at this point, but it could easily provoke a life and death crisis in the MPC. End Comment.

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